



USDA Foreign Agricultural Service

# GAIN Report

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## Turkey

### Grain and Feed

### TMO Export Tender Results

### 2005

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**Report Highlights:**

The Turkish Grain Board (TMO) sold 260,000 MT of grains specifically for the export market on August 24. This is the first TMO sale for the export market in about a year. Under the sale, TMO sold 35,000 MT of durum wheat, 25,000 MT of milling wheat, 125,000 MT of barley, and 75,000 MT of corn. Sales prices were much lower than the Turkish domestic procurement prices with the Turkish Treasury subsidizing the difference.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Ankara [TU1]  
[TU]

On August 23, The Turkish Grain Board (TMO) announced a tender to sell wheat, barley, and corn for the export market. On August 24<sup>th</sup>, TMO announced sales of 35,000 MT of durum wheat, 25,000 MT of milling wheat, 125,000 MT of white feed barley, and 75,000 MT of corn. TMO intends to use funds from these sales to finance the upcoming domestic corn purchases. Turkey is expected to have a large corn crop this year. Prices for the winning tenders are listed below. These prices were approximately \$100 - \$200 below TMO's original purchase price. The Turkish government authorized TMO to make these sales and at the same time, the Turkish Treasury was given responsibility to cover any losses incurred by TMO due to these sales. Traders expect TMO to hold additional tenders this year for wheat and barley.

Domestic prices for these commodities are currently at their seasonal low point. Current market prices for durum wheat are around USD 281 per MT, around USD 267 per MT for milling wheat, around USD 215 per MT for white feed barley, and around USD 200 per MT for corn in producing regions

Given the excellent prices, local millers are requesting similar tenders for the re-export market. TMO sales for the domestic market are normally calculated by adding a margin to their procurement prices, which are significantly higher than world market prices.

TMO procured approximately of 4.9 MMT of grains this year. Of this total, 3.6 MMT is milling wheat, 470 TMT is durum wheat, 776 TMT is barley, 10 TMT is rye, and 38 TMT is oats. It appears that TMO may issue additional export tenders given the large quantity of grains it has procured. Some traders speculate that TMO may procure approximately 1 MMT of corn in MY 2005.

The results of the export tender are summarized in the following table.

Commodity	Buyer	Quantity	Harbor	Shipment Period	Price/ MT
Durum Wheat	Molino Cassillo	5,000 MT	Mersin	9/8-9/30 2005	\$164.26
Durum Wheat	Molino Cassillo	5,000 MT	Mersin	9/8-9/30 2005	\$163.27
Durum Wheat	Molino Cassillo	12,500 MT	Izmir	10/1-10-20 2005	\$165.49
Durum Wheat	Molino Cassillo	12,500 MT	Izmir	10/1-10-20 2005	\$163.07
Milling Wheat	Dominion	25,000 MT	Iskenderun	9/8-9/30, 2005	\$125.50
Feed Barley	Exim	25,000 MT	Mersin	9/8-9/30, 2005	\$132.10
Feed Barley	Exim	25,000 MT	Derince	9/8-9/30, 2005	\$132.10
Feed Barley	Exim	25,000 MT	Mersin	10/1-10-20 2005	\$132.10
Feed Barley	Cargill	50,000 MT	Derince	10/1-10-20 2005	\$133.50
Corn	Edeks	5,000 MT	Mersin	9/8-9/30, 2005	\$102.00
Corn	Edeks	5,000 MT	Mersin	10/1-10-20 2005	\$102.00
Corn	Romspeed	25,000 MT	Mersin	10/1-10-20 2005	\$103.55
Corn	Nidera	15,000 MT	Mersin	10/1-10-20 2005	\$99.49
Corn	Grain & Forage	25,000 MT	Iskenderun	10/1-10-20 2005	\$108.09